



WASHOE COUNTY

TECHNOLOGY SERVICES

1001 E. Ninth St
RENO, NEVADA 89512
(775) 328-2351

DATE:

October 18, 2019

TO:

800 MHz Joint Operating Committee (JOC)

FROM:

Quinn Korbolic, IT Manager – Regional Services, 775-328-2348, qkorbolic@washoecounty.us

SUBJECT:

Washoe County P25 System Financing and Cost Allocation Update. A review and discussion on the progress on Washoe County Regional Communications System (WCRCS) P25 financing and cost allocation to WCRCS members.

SUMMARY:

Washoe County intends to finance the cost of the purchasing and construction the new P25 Public Safety Radio System. Washoe County and potential P25 System Partners have cooperated over the last several months to determine the best terms, timing and cost allocation methodology to finance, purchase and construct the P25 System. A summary of the finance and cost allocation terms are listed below.

- The total amount to be financed is \$13,434,051 (see Table 1).
- Cost of the P25 System Infrastructure is to be allocated to Partner Agencies based on each respective agency's proportionate number of Radios – counted based on LIDs.
 - o Agencies pay a level annual debt service payment over 15 years (see Table 2).
- System costs to be financed by a bond issuance in July 2020, with associated debt service repaid over 15 years.
- Before the financing, agencies can prepay their share of system costs as a lump sum (minus financing cost), computed based on LID share. See Table 2
- True Interest Cost for the 15-year financing is conservatively estimated at 3.3%
 - o Assuming Washoe County's General Obligation Bonds, currently rated Aa2/AA

Table 1 – P25 System Cost and total to be Financed

Item	Cost
System Equipment	7,224,616
Deployment Services	1,945,849
Additional Equipment and Services Discount	(4,592,982)
Greenfield Sites Price	2,675,478



INTEGRITY



**EFFECTIVE
COMMUNICATION**



**QUALITY
PUBLIC SERVICE**

www.washoecounty.us



WASHOE COUNTY

TECHNOLOGY SERVICES

1001 E. Ninth St
RENO, NEVADA 89512
(775) 328-2351

Item	Cost
Microwave Equipment, Software, and Licensing	2,236,646
Dispatch Equipment and Services (without Microwave)	583,648
Subscriber Equipment and Services	10,960,587
Extended Warranty Support	707,092
System Civils Allowance	4,796,578
Total Project Cost	\$26,537,511
<i>Dispatch Equipment and Services (without Microwave) Paid</i>	<i>(583,648)</i>
<i>Milestone Payments from Washoe County and JOC</i>	<i>(1,559,225)</i>
<i>Subscriber Equipment and Services (Not Financed)</i>	<i>(10,960,587)</i>
<i>Total Financed</i>	<i>\$13,434,051</i>



INTEGRITY



EFFECTIVE
COMMUNICATION



QUALITY
PUBLIC SERVICE

www.washoecounty.us



WASHOE COUNTY

TECHNOLOGY SERVICES

1001 E. Ninth St
RENO, NEVADA 89512
(775) 328-2351

Table 2 – P25 System Infrastructure Cost Allocation by Agency

Washoe County Regional Communications System Comparison FY 2019 vs. FY 2020 without NDOT	LID Count FY 2020	LID Share	Lump Sum Prepayment	Total Debt Service (15 years)	Level Annual Debt Service	FY 2020 Operations Cost	Annual Debt Service + Operations
Nevada Air National Guard	32.0	0.6%	\$82,655	\$106,215	\$7,081	\$9,749	\$16,830
Reno-Tahoe Airport Authority	292.5	5.6%	755,520	970,872	64,725	89,114	153,839
Drug Enforcement Administration	26.0	0.5%	67,157	86,300	5,753	7,921	13,675
Federal Bureau of Investigations	29.0	0.6%	74,906	96,257	6,417	8,835	15,252
Incline Village General Improvement District	4.0	0.1%	10,332	13,277	885	1,219	2,104
North Lake Tahoe Fire Protection District	108.0	2.1%	278,961	358,476	23,898	32,904	56,802
Carson City Fire Department	7.0	0.1%	18,081	23,235	1,549	2,133	3,682
Nevada Shared Radio System	0.0	0.0%	0	0	0	0	0
Pyramid Lake Paiute Tribe	88.0	1.7%	227,302	292,091	19,473	26,810	46,283
REMSA	22.0	0.4%	56,825	73,023	4,868	6,703	11,571
Reno, City of	1,171.5	22.5%	3,025,955	3,888,467	259,231	356,912	616,143
Reno-Sparks Indian Colony	70.0	1.3%	180,808	232,345	15,490	21,326	36,816
Sparks, City of	487.0	9.4%	1,257,909	1,616,460	107,764	148,371	256,135
Truckee Meadows Fire Protection District	323.5	6.2%	835,592	1,073,768	71,585	98,558	170,143
Truckee Meadows Water Authority	122.0	2.3%	315,123	404,945	26,996	37,169	64,165
University of Nevada, Reno	92.0	1.8%	237,634	305,368	20,358	28,029	48,387
US Department of Veterans Affairs Police	20.0	0.4%	51,659	66,384	4,426	6,093	10,519
Washoe County School District	868.5	16.7%	2,243,313	2,882,743	192,183	264,599	456,782
Washoe County	1,438.0	27.6%	3,714,317	4,773,039	318,203	438,105	756,307
Total	5,201.0	100.0%	\$13,434,051	\$17,263,267	\$1,150,884	\$1,584,550	\$2,735,434
<i>Cost Per Radio</i>				<i>\$3,319</i>	<i>\$221</i>	<i>\$305</i>	<i>\$526</i>

RECOMMENDATION:

Staff has no recommendation at this time and is providing this update for informational and discussion purposes only.



INTEGRITY



EFFECTIVE
COMMUNICATION



QUALITY
PUBLIC SERVICE